

# City of Indianapolis 2001 Action Plan



## EXECUTIVE SUMMARY

The Consolidated Plan for 2000-2004 is a five-year plan that identifies the City of Indianapolis' housing and community development needs and presents a strategy to meet those needs. Annually, this Plan is updated through this Annual Action Plan for 2001 which identifies the City's implementation and administration plans for four United States Department of Housing and Urban Development (HUD) grant programs: the Community Development Block Grant (CDBG), the Home Investment Partnerships Program (HOME), the Emergency Shelter Grant (ESG), and the Housing Opportunities for Persons with AIDS Program (HOPWA).

In 2001, the City anticipates receiving approximately \$17 million for these entitlement programs. This 2001 Annual Action Plan presents the City's strategy for allocating entitlement dollars to activities that will assist in achieving the objectives set forth in the 2000-2004 Consolidated Plan. The table below highlights the goals of the Consolidated Plan and estimates the outcomes expected in each area by undertaking the activities proposed in this Action Plan.

**Table 1.**

<b>Goal</b>	<b>Strategies</b>	<b>2001 Benchmarks</b>	<b>2001 Proposed Investment</b>
<b>Preserve Homeownership</b>	<ul style="list-style-type: none"> <li>Rehabilitate owner-occupied homes</li> <li>Refinance mortgages for individuals at risk of becoming homeless</li> </ul>	<ul style="list-style-type: none"> <li>359 units repaired</li> <li>3 mortgages refinanced</li> </ul>	\$3,153,500
<b>Increase Homeownership</b>	<ul style="list-style-type: none"> <li>Acquire and rehabilitate units for sale</li> <li>Create new units for sale</li> <li>Provide direct homeownership assistance</li> </ul>	<ul style="list-style-type: none"> <li>38 units rehabilitated</li> <li>15 units created</li> <li>113 homebuyers assisted</li> </ul>	\$1,975,500
<b>Increase Supply of Viable Rental Housing</b>	<ul style="list-style-type: none"> <li>Rehabilitate multi-family rental housing.</li> <li>Provide gap financing for low-income housing tax credit projects.</li> </ul>	<ul style="list-style-type: none"> <li>100 rental units rehabilitated / created</li> </ul>	\$1,481,880
<b>Eliminate Unsafe Buildings &amp; Sites</b>	<ul style="list-style-type: none"> <li>Improve, demolish and / or secure unsafe buildings.</li> <li>Testing and abatement of lead based paint.</li> </ul>	<ul style="list-style-type: none"> <li>3,400 buildings addressed.</li> <li>200 homes tested / abated</li> </ul>	\$2,300,000
<b>Support Capital &amp; Enterprise Development</b>	<ul style="list-style-type: none"> <li>Support economic development initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>75 jobs created.</li> </ul>	\$450,000
<b>Aid Supportive Service Activities</b>	<ul style="list-style-type: none"> <li>Assist organizations providing senior, youth, employment, and other supportive services.</li> </ul>	<ul style="list-style-type: none"> <li>5,100 people served</li> </ul>	\$1,298,360
<b>Support Special Needs Housing</b>	<ul style="list-style-type: none"> <li>Provide operating and rehabilitation assistance for homeless facilities.</li> <li>Provide short-term rent and utility assistance.</li> </ul>	<ul style="list-style-type: none"> <li>9,331 people served.</li> <li>750 individuals assisted</li> </ul>	\$1,314,770
<b>Support Neighborhood Empowerment</b>	<ul style="list-style-type: none"> <li>Provide capacity building assistance to neighborhood organizations in targeted areas.</li> </ul>	<ul style="list-style-type: none"> <li>9 organizations assisted</li> </ul>	\$346,340

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The 2000-2004 Consolidated Plan grouped the goals and strategies identified in Table 1 above into two major community development themes for Indianapolis – *Building Stronger Neighborhoods* and *Family Self-Sufficiency*. Building Stronger Neighborhoods includes activities, which range from preserving homeownership and new construction of affordable housing to strengthening neighborhood ties. The second theme, Family Self-Sufficiency, encompasses activities that include youth initiatives, providing services to individuals and families in need, and strengthening economic and workforce development.

## **Building Stronger Neighborhoods**

Housing continues to be the highest priority for these federal dollars. The City anticipates investing over \$5.6 million in housing activities including: homeowner repair, creating new homeownership opportunities, rehabilitating and creating affordable rental housing and acquiring and rehabilitating vacant houses. The City works with Community Development Corporations and other not-for-profit organizations to provide these housing activities in Indianapolis.

Homeownership preservation remains the highest housing priority. This plan includes approximately \$3.1 million to provide housing repairs to 359 units owned and occupied by low-income individuals. These repairs include roof replacement, new furnace installation, window replacement and other necessary repairs to maintain a suitable living condition. These efforts to preserve housing ensure that individuals, particularly the elderly, can remain in a safe home and improve the overall quality of a neighborhood.

The creation of new homeownership opportunities is another strategy to building stronger neighborhoods. Creating homeowners creates neighborhood stakeholders, which are necessary for our communities to prosper. Federal funds will be used to acquire and rehabilitate vacant houses and build new houses to be sold to low-income families. Also, these funds will be used to provide direct homebuyer assistance such as downpayment and closing cost support.

*In 2001, the City anticipates investing over \$5.6 million in housing activities...*

In addition, this plan allows for the creation of new and the maintenance of existing affordable rental housing. In 2001, the City will invest over \$1.4 million to create and improve affordable rental housing in Marion County. Other activities to strengthen neighborhoods will include continued funding to support economic development, neighborhood empowerment and removal or boarding of unsafe buildings. Together, these initiatives will assist in meeting a central goal to build stronger neighborhoods in Indianapolis.

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## **Family Self-Sufficiency**

While creating and maintaining quality affordable housing remains the cornerstone of the City's strategy to building stronger neighborhoods, other services must be made available either separately or in tandem so that individuals and families in need may attain a higher level of self-sufficiency. In 2001, a variety of activities that promote self-sufficiency will be undertaken including: job readiness, placement, and retention services; senior and youth services; and other support services and housing for the homeless and special needs populations. These activities will be implemented as part of a holistic approach that is necessary to achieve the development of Indianapolis communities.

In 2001, approximately \$2.6 million will be invested to assist families and individuals in attaining the services they need to become more self-sufficient. The proposed activities will be concentrated in those areas presenting the greatest need for assistance. As identified in this Plan, the City will collaborate with organizations working in distressed neighborhoods, particularly in Center Township, to use allocated funding to leverage other public and private resources to achieve the largest possible community impact.

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## INTRODUCTION

The 2001-2004 Consolidated Plan identifies the housing and community development needs and offers a strategy by which those needs may be addressed through funding received from the United States Department of Housing and Urban Development (HUD). The purpose of this Annual Action Plan is to describe how the City will continue to work within and refine this strategy in the year 2001, the second year of the five-year Consolidated Plan.

The Consolidated Plan identifies the City's commitment to:

“Build strong, accessible healthy neighborhoods with safe streets and thriving economies so that all individuals and their families have an opportunity to attain and maintain, to the best of their abilities, independent, self-sufficient lives.”

In 2001, this mission will be performed in part by the \$17 million in funding received from HUD, which includes the four entitlement programs detailed below:

PROGRAM	PRIORITIES
<b>Community Development Block Grant (CDBG)</b>	Supply decent housing, secure a suitable living environment, and expand economic opportunities for individuals earning 80% or less of median family income (MFI).
<b>Home Investment Partnerships Program (HOME)</b>	Expand the availability of decent, affordable housing for individuals earning 80% or less of MFI.
<b>Emergency Shelter Grant (ESG)</b>	Provide essential supportive services, homeless prevention activities, and support for area shelters with operating and rehabilitation funds.
<b>Housing Opportunities for Persons with AIDS (HOPWA)</b>	Provide housing assistance and supportive services persons with HIV/AIDS and their families in order to prevent homelessness.

Together, these four programs represent some of the City's primary resources to preserve and increase quality affordable housing in Indianapolis, provide services to individuals and families in need, and strengthen economic and workforce development. Due to the significance in involving the Indianapolis community in making community development decisions which affect their neighborhoods, it is important to ensure that the public has the opportunity to shape this Annual Action Plan by prioritizing how funding should be invested. Accordingly, the City held a series of forums throughout the community to solicit input regarding the needs of their neighborhoods. These forums were supplemented by a community development survey that was distributed widely throughout the City.

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After obtaining and summarizing community input from over 276 citizens, the City released an application and requested proposals from any agency seeking funding under these four programs. Based on public input and keeping with the mission of the five-year Consolidated Plan, the City, through its Department of Metropolitan Development, selected projects best suited to perform activities in 2001 from among 145 applications representing over \$29 million. A listing of activities recommended for funding through the CDBG, HOME, ESG, and HOPWA programs is included in this Annual Action Plan.

In addition to highlighting the projects that will be carried out in 2001, this Plan details the activities the City will undertake in the next year to address important issues which face the community including: homelessness and challenges to serving individuals with special needs. This Plan will also describe the importance of involving community organizations in ensuring that federal dollars are allocated in accordance with those priorities the community has identified, and to help the City reach the long-term goals presented in the Consolidated Plan.

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## COMMUNITY PROFILE

### Demographics

This Plan serves the Consolidated City of Indianapolis, which includes all of Marion County, Indiana with the exception of the cities of Beech Grove, Lawrence, Southport, and Speedway. The most recent Census estimates the projected population of Marion County to be 825,572. In line with nationwide trends, the minority community and aging population continue to represent greater percentages of the total population each year.

The minority community in Indianapolis continues to be the fastest growing population with the Hispanic and Asian Pacific Islander constituting the largest growth sectors. Along with the growing minority community, the aging population continues to increase in accordance with nation wide trends. As Indianapolis becomes a more diverse community, it is necessary that the appropriate services are in place to respond to any special needs identified by underrepresented or disadvantaged

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segments of the community. Some of the activities identified in this 2001 Action Plan will address the special needs represented by certain subpopulations.

The fiscal year 2000 median family income (MFI) for a four person household in the Indianapolis Metropolitan Statistical Area (MSA) was \$57,700. This figure represents an increase over the 1999 MFI figure by \$3,100. MFI is dependent upon household size and is derived from 1990 Census data. MFI data is updated annually through a combination of local Bureau of Labor statistics and Census Divisional data. Median Family Income is used to determine the income eligibility of a number of participants receiving assistance through these entitlement programs. Map 1 in Appendix E reflects the areas in Indianapolis with the greatest needs as determined by median family income.

### Neighborhoods in Need

The long-term goals set forth in the Consolidated Plan will assist in the efforts to build a world-class city, neighborhood by neighborhood. These efforts involve identifying the most distressed areas of the community, and ensuring services are made available to individuals and families so they may obtain a broad range of neighborhood-based services.

In 2001, funding for distressed neighborhoods through entitlement and other competitive dollars will continue to be the primary focal point for the development and preservation of affordable housing, commercial redevelopment, accessible transportation, and workforce development. These activities will be carried out by continued support to neighborhood organizations, community development corporations, and other community-serving organizations. These federal funds will respond to the individual needs of Indianapolis neighborhoods by investing in the health, homes, and environment of the community.

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## HOUSING






The creation and maintenance of affordable housing was identified as a high priority in the 2000-2004 Consolidated Plan. While funding for 2001 will continue to address issues in affordable housing, certain barriers must simultaneously be addressed in order to implement a long-term solution to this immediate problem. This section recaps the affordable housing needs in the Indianapolis, how to address barriers to obtaining affordable housing, lead-based paint, and public housing.

### **Meeting Needs and Addressing Housing in 2001**

The 2000-2004 Consolidated Plan references the Indianapolis Housing Strategy that states:

“A well-formulated approach to housing improvement can play a significant role not only in meeting the needs of lower-income families, but also in supporting inner city job development and in helping to create mixed-income urban neighborhoods.”

Part of supporting this approach involves dedicating a portion of HUD entitlement funds to meet the following 2000-2004 housing-related goals:

-  Preserving homeownership through Home Owner Repair
-  Increasing Homeownership through Acquisition and Rehabilitation
-  Increasing Homeownership through New Construction
-  Increasing Homeownership through Direct Homeowner Financial Assistance.
-  Increasing the Supply of Rental Housing through Rehabilitation or New Construction.

For 2001, the City will continue working towards these goals by distributing funds for housing preservation, rehabilitation, and new construction activities. The number of units, dollar amount, and type of housing activity to be performed is further described in Table 1 on page 1 of this Action Plan. While the preservation and creation of additional affordable housing addresses issues associated with housing supply, barriers continue to exist.

### **Barriers to Affordable Housing**

Research suggests that individuals should pay no more than 30% of their income for housing related costs. According to the most recently released information from the Homeless Count and Survey, over 54,400 Marion County residents are directing over half of their monthly income towards these costs. Often times, temporary rental assistance is necessary to allow an individual or family to address issues in order to attain self-sufficiency.



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To address this challenge in 2001, the City will partner with organizations including Horizon

*...the City will partner with organizations to develop and implement the first pilot Tenant Based Rental Assistance (TBRA) program in Indianapolis.*

House, the Coalition for Homelessness Intervention and Prevention, and Local Initiatives Support Corporation to develop and implement a pilot Tenant Based Rental Assistance program in Indianapolis. This assistance will allow individuals to remain in a stable environment while addressing issues to help them become more self-sufficient.

Additionally, poor credit history coupled with a lack of knowledge about community resources continues to be a barrier to obtaining affordable housing. The City anticipates funding the Marion County Center for Housing Opportunities, which is a resource center administered by the Indianapolis Housing Agency. This Center will provide homeownership counseling and training, rental/landlord market assistance, educational seminars, coordination of community resources, fair housing workshops, and other housing related services. The Marion County Center for Housing Opportunities is open to all persons interested in purchasing or renting in areas to foster residential integration.

## **Lead-Based Paint**

Lead-based paint poses a serious threat to our youth. In September of 2000, Sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (commonly known as Title X) went into effect. Title X mandates that rehabilitation workers who disturb surfaces containing lead-based paint must be trained and qualified to follow lead-safe practices.

To ensure compliance with these new regulations, and to ensure the health and safety of Indianapolis youth, in December of 2000 the City will pay for one staff member of each community development organization to attend certification classes in lead assessment and lead inspection. In 2001, the City will continue education of lead hazards by offering training to a broader base of community organizations receiving federal assistance.

In cases where lead-based substances are found, carrying out abatement activities is expected to significantly increase the overall cost of the project. The City is well prepared to respond to these situations in 2001. Five Hundred Thousand Dollars has been allocated in 2001 for community development organizations encountering high lead abatement costs. These organizations may request additional funds so that rehabilitation activities may be carried out in tandem with lead abatement. The City will continue to develop and refine its policies to comply with these new regulations by working with community development organizations as well as the Marion County Health Department.



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## Public Housing

The Indianapolis Housing Agency (IHA) manages a large number of affordable housing units through twelve public housing communities. Four of these communities represent 705 units of housing for the elderly and disabled; the remaining eight communities total 1,299 units of family housing. Not only does the maintenance and upkeep of these units affect the community development objectives of the City, but the provision of necessary employment and youth services to those living in public housing is a priority. Public housing residents may benefit from the workforce development and employment training programs included in this year's Action Plan. In addition, the City will collaborate with IHA to provide \$50,000 in funding for a program to serve the youth living in these communities.

*The City and IHA share the importance of creating and implementing fair housing initiatives.*

The City and IHA share the importance of creating and implementing fair housing initiatives. All housing consumers must be made aware of their housing choices. In 2001, fair housing activities and residential integration will be facilitated by providing \$60,000 of CDBG and HOME funding to promote housing choice through a Housing Resource Center administered by IHA.

Lastly, in 2001 the City will embark in its second year as a Participating Administrative Entity (PAE) for the Mark-to-Market Program. Designed to restructure the debt of Section 8 properties in order to respond to critical rehabilitation needs to preserve affordable housing, IHA and the City will continue to work together to ensure the viability of the current housing stock. The City will continue its lead role in developing new partnerships by collaborating with agencies including P/R Mortgage Investment Corporation, the local Department of Housing and Urban Development, the Indianapolis Housing Finance Authority, and the Indiana Coalition for Housing and Homeless Issues.

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## SPECIAL NEEDS

The Consolidated Plan identifies several populations who have specialized needs including the homeless, the mentally ill, the physically and developmentally disabled, the elderly, and persons with HIV/ AIDS. The needs presented by these populations cross a broad spectrum and thus require a holistic, coordinated response when providing care. The CDBG, HOME, ESG, and HOPWA programs are a part of this coordinated response and assist in the community strategy by providing funding to help meet the needs of these populations. Shelters, transitional housing, and a broad range of services funded through these grants assist a continuum of care that helps these populations sustain or initiate a path to greater self-sufficiency.

### Homeless

According to the National Alliance to End Homelessness there are 750,000 Americans homeless on any given night. A 1999 study estimated that of 3,488 persons are homeless in Indianapolis on any given night. The fastest growing group of homeless people consists of families with children. Today families make up 36% of the people who become homeless; the typical homeless family consists of young unmarried mothers with two to three small children.

Many homeless individuals and families experience a combination of circumstances which prevent them from attaining a stable living environment including lack of work skills, inability to access childcare, inability to access jobs, and in some case are victims of domestic violence. Service providers report that many of their clients do not have incomes adequate to meet basic needs and need assistance to overcome problems that interfere with independent living.

In 2001, the City will use a combination of ESG, CDBG, HOME, and HOPWA funds to address the needs of homeless individuals and their families by continuing to support the

*ESG funds will be awarded to eleven shelters and a network of social service agencies*

operations of shelters and preventing further incidence of homelessness. ESG funds in the amount of \$386,650 will support eleven shelters and a network of social service agencies to support activities including operating costs, essential services, homeless prevention, and rehabilitation. These funds will also be used to purchase bus tickets to provide transportation to employment opportunities, medical services, housing search, and other determined social service needs.

In addition to ESG funding, CDBG funds in the amount of \$350,000 will be invested to rehabilitate the Julian Center, a shelter for victims of domestic violence. HOME funds will also be used to support CHIP and LISC in their development of a pilot tenant-based rental assistance program. CDBG and HOME funds will also assist in preventing homelessness by: supporting home owner repair for very low-income persons at risk of becoming homeless; supporting the prevention of homelessness through employment opportunities, referral networks, and self-sufficiency programs; and underwriting the development of rental housing for low-income persons. Lastly, funding from the HOPWA program will be used to provide additional housing assistance for persons with HIV and their families. These funds will be distributed through The Damien Center and the Salvation Army Harbor Light.

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## Underserved Needs

CDBG, ESG, HOME and HOPWA funds will also be used to address the numerous challenges presented by underserved needs populations in 2001. A fragmented delivery system and the lack of supportive housing units continue to be obstacles in meeting the needs of these populations. The following is a summary of underserved needs as identified in the Consolidated Plan 2000-2004 and how the City plans to respond to these needs in 2001.

### ***Elderly and Frail Elderly***

Approximately 8,295 elderly and frail elderly households in Indianapolis are threatened with

*The needs presented by these populations cross a broad spectrum and thus require a holistic, coordinated response.*

homelessness and are in need of some type of supportive housing services. Senior needs will be addressed by awarding CDBG funds to multiple organizations in order to provide a diverse range of supportive services including: housing repairs, transportation, home-based services,

counseling, social activities, social activities, wellness programs, supplemental employment, and exercise programs.

### ***Severely Mentally Ill***

Housing subsidy in the form of supportive housing is needed for approximately 1,380 households with mentally ill family members. Often times this population is in need of home-based services, financial management, advocacy, case management, medical management, transportation, and daily living activities. ESG funds will be awarded to Mount Olive Shelter to address the needs of the severely mentally ill. Other funds will be used to provide transitional and permanent housing and supportive services for this population.

### ***Developmentally Disabled***

Currently there is a need for additional group housing, semi-independent living units, and support services to assist 18,750 developmentally disabled individuals living in the Indianapolis Metropolitan Statistical Area. Supportive Housing Program and Shelter Plus Care Program funds are used to support the developmentally disabled population by providing transitional or permanent housing.

### ***Physically Disabled Persons***

Individuals with physical disabilities experience special housing problems including lack of accessible housing and the need for additional funds to add accommodations that allow disabled persons to remain in their homes. In 2001, HOME funds will be awarded to Independent Residential Living of Central Indiana Inc. for new construction of eight units of affordable/accessible housing for individuals with physical or cognitive disabilities. Additional funding from the Supportive Housing and Shelter Plus Care Programs will be used to provide additional housing and support services for this population.

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## ***Alcohol and Other Drug Addicted Persons***

Many social service providers have recognized the need for increased substance abuse treatment programs as a high priority according to the five-year Consolidated Plan. Supportive services for this population will be made available with 2001 funding from the ESG program to organizations serving this population: namely, the Salvation Army Harbor Light and Mount Olive. Other shelters and transitional housing facilities continue to help this population through Supportive Housing Program funding.

## ***Persons with HIV/AIDS and Related Diseases***

The Consolidated Plan indicated that approximately 2,160 people are infected with HIV in Marion County. The Indiana State Department of Health reported 3,363 HIV cases and 5,895 AIDS cases in Indiana as of June 30, 2000. The epidemic shifted steadily toward a growing proportion of AIDS cases in African Americans and Hispanics, and in women. To address this problem, the City is funding The Salvation Army Harbor Light to provide outreach, testing and education in two high-risk areas targeting these populations. The Damien Center will continue to serve as the City's primary AIDS service provider by providing tent-based rental assistance, project based rental assistance, housing services, technical assistance, and supportive services.

## **Anti-poverty Strategy**

Activities involved in responding to the homeless and underserved populations entail a holistic approach and proactive response which is encompassed by the City's anti-poverty strategy. In 2001 the City of Indianapolis will continue to invest community development funds in a variety of projects and programs that will help build family self-sufficiency. The anti-poverty strategy involves making available an extensive range of services to individuals and families in need. These services are broad ranging from special housing accommodations to transportation needs. This section identifies components in the anti-poverty strategy which will be addressed through the investment of federal entitlement dollars.

*The anti-poverty strategy involves making available an extensive range of services to individuals and families in need.*

## ***Strengthening Economic and Workforce Development***

One vital component in the anti-poverty strategy involves strengthening the economic base of our community and the workforce development of our citizens. This year's plan includes \$650,000 for employment training, job placement and retention through organizations including: Community Centers of Indianapolis, Keys to Work, America Works, Indianapolis Urban Enterprise Association, Technical Training Institute, and CICOA, The Access Network. These agencies will provide training in manufacturing, construction, service industry, trades and pre-employment skills training to increase the possibility of improving the earning capacity of individuals who are either unemployed or underemployed. In addition, 2001 funding for the I-70 Keystone project in the amount of \$450,000 for the creation of an industrial park will assist in strengthening the economic based of this distressed area, and is anticipated to create a number of future job opportunities.

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## ***Improving Transportation in Indianapolis***

Many individuals often experience difficulty in obtaining transportation to reach employment sites or necessary job training. The City recognizes that lack of available transportation is often an obstacle to obtaining needed services for some low-income residents. In 2001, the City will spend nearly \$150,000 of CDBG and ESG funds to support this component of the anti-poverty strategy by serving the transportation needs for the homeless, elderly, and disabled populations. These funds will be used to help individuals reach employment sites, job training, and receive other services that are necessary to attain a more financially stable life.

## ***Empower and Support Indianapolis Youth***

The number of families living in poverty increases each year meaning more and more Indianapolis youth each year do not receive some of the same opportunities as those living at or above median family income. Because today's youth represent the future of Indianapolis, it is imperative that social and other educational programs are offered to provide a framework for youth to become healthy, community-driven, responsible citizens of Indianapolis. This plan allocates approximately \$275,000 to various youth serving organizations throughout the community. Funds will assist youth in developing important life skills through summer youth programs, computer training, and after school enrichment programs.

*One vital component in the Anti-poverty strategy involves strengthening the economic base of our community and the workforce development of our citizens.*

Along with the above activities funded through CDBG and ESG, funding from the Stewart B. McKinney Grants will provide other services for individuals and families who are homeless and have special needs. Funds will be used to create and maintain transitional housing units while providing supportive services needed to move families towards self-sufficiency including: life-skills training, substance abuse treatment, and employment training, childcare, counseling and case management. Collectively, these activities will address the needs of poverty-stricken families and increase their potential to live independently.

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## IMPLEMENTATION

The City of Indianapolis recognizes the importance of strong grants management practices. The DMD Grants Management Policies were developed in an effort to unify and simplify the many requirements and regulations associated with these entitlement programs. These policies provide a framework for the City and Project Sponsors for compliance that cuts across funding sources. The City will continue to rely on these policies in 2001, updating them as needed.

Also, the Department established a Grants Manager position to ensure that Project Sponsors are performing administrative, financial, and programmatic activities in accordance with federal regulations and contractual obligations. In 2001, this position will focus on implementing monitoring policies developed in 2000. It is the responsibility of this Grants Manager to work with Project Coordinators to streamline monitoring efforts and to effectively evaluate program performance.

*Ensuring that local and national objectives are being met involves not only effective monitoring practices, but collaboration with community partners*

In 2000, the City developed and implemented a web-based quarterly report for Project Sponsor's engaging in construction activities. This system allows the City and other funders to more efficiently track the progress of Project Sponsors as they complete community initiatives. It also provides a simplified reporting process for Project Sponsors. The City will continue to work with Project Sponsors to improve this system in 2001.

## **Monitoring**

The City of Indianapolis has established standards and procedures for monitoring Project Sponsors. These procedures require the City to conduct at least one on-site monitoring visit annually for each Project Sponsor.

During monitoring visits, City staff reviews a random sample of the files to ensure that necessary documentation is maintained. In addition, City staff reviews applicable Project Sponsor policies and the organization's general operating performance and progress. A monitoring letter serves as a follow up to the Project Sponsor identifying strengths and program deficiencies. If program deficiencies exist, a timeline for meeting necessary corrective actions is included.

The City is also required to monitor HOME rental projects for a length of time known as the period of affordability. The number of units and subsidy for each unit will determine the length of time and frequency with which the City is required to monitor the project. The City is continuing to develop a database of all relevant information regarding these HOME rental projects.

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## **Coordination**

Ensuring that local and national objectives are being met involves not only effective monitoring practices, but collaboration with community partners. The City collaborates with a complex and diverse network of partners through its Grants Management Teams for the CDBG, HOME, ESG, and HOPWA programs. These partners, a majority of whom carries out the activities proposed in this Action Plan, include:

- Community Development Corporations
- Housing Developers
- Community and Neighborhood Based Organizations
- Social Service Providers
- Faith-based organizations
- Funding Partners including: the Indianapolis Neighborhood Housing Partnership, the Local Initiatives Support Corporation, the Indianapolis Neighborhood Resource Center, and other private organizations.

The City recognizes collaborative efforts as one of the cornerstones of successful community development. In 2001, the City will continue participating in the third year of the Home Repair Collaborative to evaluate and refine the efforts of this initiative which coordinates efforts of

thirteen organizations as they provide home repair services. The City will also continue working with funders such as the Lily Endowment and Indianapolis Foundation to fund summer youth initiatives in 2001, and to collaborate on other broad-based community initiatives.



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## SPECIAL URBAN INITIATIVES

### Home Ownership Zone

In 1997, the City applied to HUD for a Home Ownership Zone (HOZ) designation. Of the sixty-seven cities that applied, the City of Indianapolis was one of six HOZ designations awarded. The Indianapolis HOZ is located in the Citizens neighborhood and is bounded by Fall Creek Parkway, Pennsylvania Street, 23<sup>rd</sup> Street, and Park Avenue.

The outcome of the HOZ project will be a vibrant, diverse urban neighborhood created through homeownership. The project consists of rehabilitating and constructing 322 housing units, with an emphasis on new construction. Fifty-one percent of the housing units created will be sold to homebuyers with incomes at or below 80% of the median family income. The remaining units will be available to families of any income level. Ultimately, the HOZ neighborhood will provide a mix of retail/commercial, housing, and green spaces all within walking distance of one another.

In 2001, the City will be entering the third year of this initiative. The past two years have consisted of land acquisition, clearance, site preparation, and some rehabilitation. In 2000, the City hired a developer to assist with the implementation of the HOZ development plan. It is anticipated that residents will begin to see more physical improvements to the HOZ in 2001. The City will break ground on a model village, which consists of the new construction of approximately ten model houses for potential homebuyers to walk through. In addition to the completion of the model village, the City anticipates that forty homes will be available for sale by the end of 2001.

*The outcome of the HOZ project will be a vibrant, diverse urban neighborhood created through homeownership.*

### Neighborhood Revitalization Strategy Area

In 1996, the City received a Neighborhood Revitalization Strategy Area (NRSA) designation and expanded that area in 1999. This area is synonymous with the Indianapolis Enterprise Community and the proposed Empowerment Zone, which is illustrated on the Map 2 in Appendix E.

This designation allows the City some flexibility to invest federal funds in areas which present some of the greatest community needs. As part of this designation, the City is required to develop a revitalization strategy with defined goals and identified benchmarks. The table below presents these goals and benchmarks which are to be accomplished within the NRSA in 2001.

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GOAL	STRATEGIES	2001 BENCHMARKS
<b>Preserve Homeownership</b>	◆ Rehabilitate owner-occupied homes	170 units repaired
<b>Increase Homeownership</b>	◆ Acquire and rehabilitate units for sale ◆ Create new units for sale ◆ Provide direct homeownership assistance	22 units rehabilitated 11 units created 40 homebuyers assisted
<b>Increase the supply of viable rental housing</b>	◆ Rehabilitate rental housing units ◆ Provide gap financing for low-income housing tax credit projects	30 rental units rehabilitated 75 rental units created
<b>Eliminate unsafe buildings and sites</b>	◆ Improve, demolish and/or secure unsafe buildings	3,000 buildings addressed
<b>Support capital and enterprise development</b>	◆ Support economic development initiatives	75 jobs created
<b>Aid supportive service activities</b>	◆ Assist organization providing senior, youth, employment and other supportive services	3,000 people served

## Marion County Housing Trust Fund

Earlier this year, the Indiana General Assembly approved HR 1166 permitting the creation of a Marion County Housing Trust Fund. Establishment of the fund requires approval of a resolution by the Metropolitan Development Commission (MDC). It also provides for an eleven member Housing Trust Fund Advisory Committee to recommend to the Commission policies, procedures and long-term capital sources. Permitted funding sources include the establishment of a property tax exemption for housing of households eligible under the Low Income Housing Tax Credit program, and the levying by the City – County Council of a payment in lieu of taxes on such properties, for deposit into the Fund.

In addition, the MDC may establish supplemental housing programs and tax increment allocation areas to generate revenue for the Fund. Use of Fund proceeds is restricted to benefiting households at or below 80% of the median income for Marion County and at least 50% of the dollars must be used for individuals and families at or below 50% of the County's median income. Eligible uses include loans, grants and loan guarantees, rehabilitation or new construction, financial assistance for either rentals or home purchases, as well as for technical assistance to nonprofit developers of affordable housing and administration of the Fund.

# City of Indianapolis 2001 Action Plan



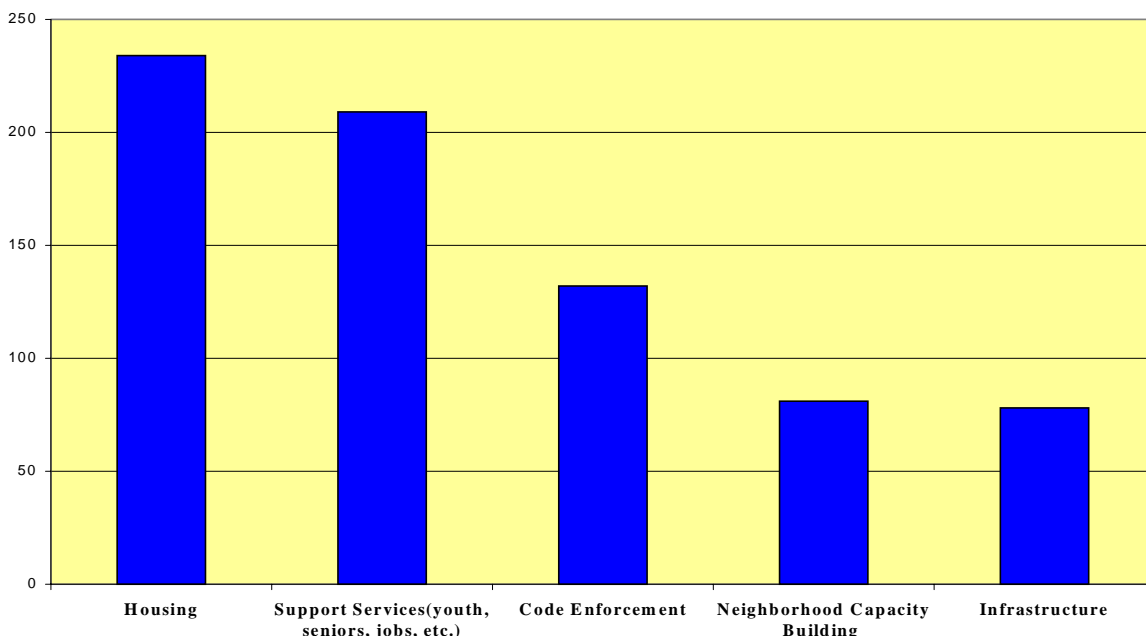
## CITIZEN PARTICIPATION

The citizen participation process allows citizens to provide input into determining the use of housing and community development funds. Each year, in accordance with the Citizen Participation Plan, the City holds forums for residents to voice and prioritize their own housing needs, the needs of their individual neighborhoods, and the needs of the larger community.

The City held nine community forums to solicit citizen input. Two of these forums were held in IHA housing communities to reach out to residents of public housing. An additional forum was held with the Mayor's Youth Council, which allowed youth to express important neighborhood issues that affect young people. Map 3 in Appendix E illustrates the forum locations.

City staff facilitated each meeting by describing the consolidated planning process, highlighting the goals from the consolidated Plan, and asking citizens to prioritize their housing and community development needs. Participants were divided into small groups in order to discuss the issues affecting their community. Each group reported the concerns that they had identified and these were recorded. Attendees were then asked to vote for their priorities. City staff compiled the information from each forum to establish a list of housing and community development priorities.

In order to gather information from a broader base of the community, the City distributed surveys to approximately 1,200 individuals and organizations around the area. A total of 164 surveys were returned, representing a response rate of approximately 14%. This survey asked respondents to identify the three most important local issues in their neighborhood and to rank the housing and social service needs for their community. The following chart demonstrates the priorities of survey respondents and hearing attendees.



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Because citizen participation guides the consolidated planning process, the priorities established by the public were used in the evaluation criteria set up to review proposals submitted for housing and community development funds. Points were awarded to those projects that met one of the top ten priorities identified in the public surveys or forums and one the top three housing concerns. Any concerns that can not be addressed by projects funded through this Annual Action Plan will be shared with other departments in an effort to identify alternative solutions to address the needs.

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## RESOURCES

The City anticipates receiving approximately \$17 million in federal resources for its CDBG, HOME, ESG, and HOPWA programs in 2001. In addition to this, \$200,000 is estimated in program income generated from these grants. In order to derive the greatest benefit from these federal dollars is it important to leverage federal funds with other private, public, state, local, and in-kind dollars. In 2001, a total of \$36.1 million dollars will be used from other sources to leverage projects receiving federal dollars. The table below illustrates an allocation of anticipated federal resources for 2000, and the amount of leveraging by source and activity.

Activity	HUD Entitlement	Other Federal	State and Local	In-Kind	Private	Total
<b>Emergency Shelter</b>	386,650	265,327	215,945	951,920	1,436,034	<b>3,255,876</b>
<b>Housing Assistance / AIDS</b>	578,120	0	144,728	0	17,400	<b>740,248</b>
<b>Homebuyer Subsidies</b>	661,000	0	145,000	0	2,709,041	<b>3,515,041</b>
<b>New Construction</b>	960,000	679,395	2,995,000	0	4,853,300	<b>9,487,695</b>
<b>Homeowner Repair</b>	3,313,500	30,000	0	113,084	0	<b>3,456,584</b>
<b>Acqu/Rehab</b>	954,000	0	383,750	0	0	<b>1,337,750</b>
<b>Public Facilities</b>	435,000	0	75,000	0	1,125,000	<b>1,635,500</b>
<b>Rental Housing</b>	1,755,880	0	257,500	0	525,000	<b>2,538,380</b>
<b>Senior Services</b>	375,000	0	1,040,000	0	11,000	<b>1,426,000</b>
<b>Youth Programs</b>	273,360	0	0	51,500	160,000	<b>484,860</b>
<b>Job Training</b>	650,000	0	2,000	0	684,300	<b>1,336,300</b>
<b>Unsafe Sites</b>	2,300,000	0	0	0	0	<b>2,300,000</b>
<b>Public Services / Other</b>	530,040	0	0	0	0	<b>530,040</b>
<b>Infrastructure</b>	600,000	679,395	500,000	0	0	<b>1,779,395</b>
<b>Commercial Development</b>	800,000	8,000,000	0	0	0	<b>8,800,000</b>
<b>Administration</b>	3,098,230	0	9,300,000	0	0	<b>12,398,230</b>
<b>TOTAL BY SOURCE</b>	<b>17,070,780</b>	<b>8,974,722</b>	<b>14,558,923</b>	<b>1,116,504</b>	<b>11,521,075</b>	<b>53,242,004</b>



## 2001 ACTIVITIES

Based on the identified community priorities and keeping with the goals of the Consolidated Plan, the City selected projects from an extensive evaluation of 145 applications that would best meet community development objectives. Maps 4, 5, and 6 in Appendix E shows the distribution of these funds with regard to the type of activity at various locations. The pages that follow contain a detailed summary of the organizations that have been recommended for funding, and the activities that each will carry out.